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January 10, 2022

Via Email and ECF

Honorable Martin Glenn
United States Bankruptcy Court
Southern District of New York
One Bowling Green, Courtroom 523
New York, NY 10004-1408

Re: *In re All Year Holdings Limited, Chapter 11 Case No. 21-12051 (MG)*

Dear Judge Glenn:

We represent All Year Holdings Limited (the “**Debtor**”), as debtor and debtor in possession in the above-referenced chapter 11 case. As discussed on the record at today’s Initial Case Conference and as a further update for the Court on the status of the Debtor’s sales and marketing process, attached hereto as **Exhibit A** is a copy of the Debt Restructuring Term Sheet (the “**Graph Group LOI**”), dated January 9, 2022, submitted by The Graph Group LLC and Cammbeys International Group. The Graph Group LOI, which sets forth the terms of a proposed restructuring for the Debtor to be implemented pursuant to a chapter 11 plan of reorganization, was published earlier today by the Debtor on the Tel Aviv Stock Exchange website. As of the date hereof, the Graph Group LOI has not been agreed to by the Debtor or the holders of the Debtor’s various series of notes.

The Graph Group LOI is not a solicitation of votes in favor of a chapter 11 plan for the Debtor or a solicitation to tender or exchange any debt. No acceptances of a chapter 11 plan will be solicited from any party until the Court has approved and ratified a disclosure statement and related ballots and solicitation materials for this case.

Respectfully submitted,

/s/ Gary T. Holtzer
Gary T. Holtzer

Exhibit A

Graph Group LOI



January 09, 2022

To

All-Year Holdings Limited (the	The Company's Court Officer,
"Company")	CPA Isaac Idan
Board of Directors and CRO	The representatives of the
	Bondholders of the Company

Re: Debt Restructuring Term Sheet

The Graph Group LLC and the Cammbeys International Group, thorough Paragraph Partners LLC, a special purpose entity (the "**Purchaser**") hereby submits a Term Sheet for the restructuring of the Company's debt (the "**Offer**" and "**Restructuring**").

1. The Purchaser hereby submits an indicative offer for purchase of the entire equity of the Company and extinguish any and all of the unsecured Bondholders debt (for the avoidance of doubt, including the deficiency claims of Series C and E), through a restructuring process with the Company's Bondholders.
2. The consideration to the unsecured Bondholders (the "**Bonds**") shall be in a cash amount of USD forty million (USD\$40,000,000) to be paid at the closing (the "**Cash Portion**"), and additional amount of USD twenty million (USD\$20,000,000) of notes to be repaid in 5 installments as follows: (1) a sum of USD three million (USD\$3,000,000) to be paid within 6 months of the closing; (2) a sum of a sum of USD two million (USD\$2,000,000) to be paid within 12 months of the closing; and (3) three payments of USD five million (USD\$5,000,000) to be paid within 18, 24 and 30 months of the closing (the "**Note Portion**" and together with the Cash Portion, the "**Consideration**").

Notwithstanding the above, in the event that prior to the closing of the Restructuring the Purchaser closes on the assignment to and purchase by Purchaser of all of the rights of the Trustee for the Series C Bonds in and to the William Vale Hotel for a cash payment of USD one hundred and fifty-six million (USD\$156,000,000), the terms of which shall be subject to a separate LOI and a separate vote of the Series C Bondholders, the Note Portion of the Consideration shall be increased by USD two million (USD\$2,000,000) to USD twenty two million (USD\$22,000,000) of notes to be repaid in 5 installments as follows: (1) a sum of USD three million (USD\$3,000,000) to be paid within 6 months of the closing; (2) a sum of a sum of USD two and a half million (USD\$2,500,000) to be paid within 12 months of the closing; and (3) three payments of USD five and a half million (USD\$5,500,000) to be paid within 18, 24 and 30 months of the closing.



The foregoing Consideration shall constitute the only consideration and/or funds to be provided by the Purchaser. It is agreed that the Purchaser shall not be responsible for paying any legal or other administrative fees or expenses payable by the Company in connection with any Plan of Reorganization or otherwise.

4. The notes issued to the Bondholders shall be secured by a personal or corporate guarantee acceptable to the Bondholders.
5. This Offer excludes all assets securing the Series C and E Bonds, or any income connected directly or indirectly to those assets pursuant to existing agreements, which shall remain the property of the secured Bondholders. The offer also excludes the YG WV Shares unless purchased pursuant to the separate LOI for the William Vale Hotel assets. The Offer also excludes the assets, or any income connected directly or indirectly to those assets, set forth in the settlement agreement with DCP All Year Pref Equity LLC and DCP Kings Point LLC. The Offer also excludes any of the potential claims the Company/Bondholders might have against third parties, including officers, directors, and shareholders of the Company, provided that the parties will ensure in good faith that the Purchaser or the Company and any of its subsidiaries shall bear no cost or expense, directly or indirectly, by virtue of such claims. In addition to the above, the Bondholders and its representatives on the one hand and the Purchaser, the reorganized Company and its subsidiaries on the other hand, shall agree to mutual waivers of any and all claims, demands or cause of action, each may have against the other party including existing claims as of the date hereof.
6. The terms set forth in this agreement shall be approved by all relevant courts that are required to approve the debt arrangement which debt arrangement shall include any and all indemnification claims that may be asserted against the Company.
7. All assets and/or rights of the Company, unless otherwise excluded herein, will be transferred and or tendered to Purchaser. This includes but is not limited to the Company's positive cash balance as of the closing which shall be transferred in full to the Purchaser upon the closing of the Restructuring. For avoidance of doubt – the Company's and Bondholders (to the extent applicable) rights and claims in (i) the Settlement agreement with regard to MY 2011 Grand LLC et al as approved by US Bankruptcy court on October 25, 2021 (case No. 19-23957 (RDD)), and (ii) the Lofts On Devoe LLC shall not be excluded.
8. Following the indicative approval of this Offer by the Company, the parties will agree on the filing of



a Plan of Reorganization in the Chapter 11 proceeding which will provide (i) for the sale of the assets described herein free and clear of all claims other than the claims assumed by Purchaser, (ii) that the Bonds shall receive the consideration as set forth herein, (iii) that all other unsecured claims against the Company (other than the Excluded Claims as agreed among the parties) shall remain unimpaired and unaffected by the Chapter 11 and the Plan of Reorganization. The Restructuring shall be conditioned on the approval of such Plan of Reorganization by all required courts (US Bankruptcy, BVI, Israel).

9. This offer shall remain in force 7 days from the date hereof.
10. Following approval of this Offer by the Company, the parties shall negotiate within 14 days the full terms of the Restructuring to be presented and voted upon by the Bondholders.
11. The parties contemplate the restructuring shall be documented through (i) an Investment Agreement between Purchaser and the Company, (ii) a Plan Support/Consent Agreement between the Trustee, on behalf the Bondholders and the Company; (iii) any other required document as agreed upon by the parties.
11. The Offer is **not subject to due diligence** on behalf of the Purchaser.
12. No Commitment: This term sheet does not constitute a commitment by any of the parties in any form, but rather summarizes the terms of the proposed transaction. None of the Purchaser, Trustee, Bondholders or the Company shall have an obligation to enter into any transaction as a result of the execution of this letter. This term sheet does not and will not prevent any of the creditors from raising any claims against other creditors and / or other third parties, including in connection with their rights and / or obligations under this term sheet. This term sheet does not affect all claims and rights of the creditors, towards each other and/or towards other third, are fully reserved until the definitive agreement. The closing of this transaction contemplated hereunder and its final terms, as such terms shall be set forth in definitive transaction documents, shall be acceptable to the parties in their sole and absolute discretion.


Graph Group LLC
By Avi Philipson


Cammbeys International Group
By Avi Schron



Accepted and agreed:

The Company

By _____

Title _____